

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 19060
[Redacted],)	
)	DECISION
Petitioner.)	
_____)	

This case arises from a timely protest of a State Tax Commission staff decision adjusting the property tax reduction benefit for 2005. This matter was submitted for a decision based on the documents in the file. The State Tax Commission has reviewed the file and makes its decision based on its contents.

All property within the jurisdiction of this state is subject to property tax. A property tax reduction benefit is available to certain qualifying individuals. The benefit is in the form of a payment of the applicant's property tax on the dwelling he/she owns and occupies. The payment is funded by state sales tax. The amount of property tax reduction depends on income--the greater the income, the smaller the benefit.

[Redacted] submitted an application for a property tax reduction benefit on behalf of himself and his wife, [Redacted] (petitioner) on February 7, 2005. After the April 15, 2005, deadline for filing passed, the staff of [Redacted] County sent that application together with the other applications that had been filed to the Tax Commission for processing.

Pursuant to Idaho Code § 63-707(5) the staff reviewed the petitioner's application. A note was on the face of the application below Mr. [Redacted]'s signature stating Mr. [Redacted] had passed away on April 15, 2005. This decision will refer to [Redacted] as the sole petitioner.

The income documents submitted with the application were dated 2003. Because the 2005 property tax reduction benefit depends on 2004 income, the staff sent the petitioner a letter advising

of the intent to deny the benefit because the 2004 income information had not been provided. She was asked to submit the 2004 income information. The petitioner's daughter, as Personal Representative for [Redacted] appealed the intended action, and the file was transferred to the Legal/Tax Policy Division for administrative review.

Income for property tax reduction benefit purposes is defined in Idaho Code § 63-701 as income received in the calendar year immediately preceding the year in which a claim is filed. The calculation of income starts with federal adjusted gross income and, thereafter, makes certain additions and deductions.

In response to a letter advising the petitioner of her appeal rights, the petitioner's daughter submitted a copy of her parents' 2004 income information consisting of statements from the Social Security Administration and federal 1099 forms. When that income information is totaled and the \$10,957.98 medical expenses are subtracted, the resulting net 2004 income for property tax reduction benefit purposes is \$19,961.07.

The petitioner qualifies to receive a property tax reduction benefit of an amount not to exceed \$300.

The State Tax Commission is aware there is some potential this decision could cause a hardship to the applicant for property tax reduction in certain circumstances. The proper jurisdiction to handle such hardship situations falls with the county commissioners pursuant to Idaho Code § 63-711.

WHEREFORE, the Intent to Deny Benefits letter dated September 20, 2005, is hereby APPROVED, AFFIRMED, and MADE FINAL.

An explanation of the petitioner's right to appeal this decision is enclosed with this decision.

DATED this _____ day of _____, 2005.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE BY MAIL

I hereby certify that I have on this _____ day of _____, 2005, served a copy of the within and foregoing DECISION by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]

Receipt No.

[REDACTED]

[REDACTED]

[REDACTED]
